

Humanitarian Crisis in Yemen

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Co-Chair McGovern, Co-Chair Pitts, Honorable Members of the Lantos Commission, thank you for the invitation to testify on the humanitarian crisis in Yemen. It is a special honor to have you with us today, Congressman Lieu. It is no small part due to your bold and courageous advocacy that the US role in Yemen is being debated here in Congress. I speak today on behalf of Oxfam, a confederation of global organizations dedicated to fighting the injustice of poverty and defending the rights of people in humanitarian crises around the world.

Oxfam in Yemen

Oxfam has worked in Yemeni communities for more than 33 years to fight endemic poverty, improve water and sanitation services, and support women and youth advocates. Despite the security and logistical challenges, Oxfam is delivering on the ground. Oxfam's response to the crisis has been to target the areas most affected by the conflict and we are reaching people in the northern and southern governorates of Hajjah, Hodeidah, Amran, Taiz and Aden. Working near the frontlines and just outside areas suffering from heavy airstrikes and ground fighting, Oxfam is able to assist displaced people and host communities. Oxfam aims to reach 1.2 million people in Yemen by the end of the year and has already responded to the needs of over 900,000 people since the start of the crisis.

Overall Humanitarian Situation

Over 21 million people, or four out of five, in Yemen – more than in any other country in the world – are in need of immediate, life-saving humanitarian assistance. More than 13 million people do not have enough to eat, with over 7 million on the verge of starvation. Over 10,000 civilians have been killed or injured by fighting, with tens of thousands more dying from preventable and treatable diseases. Over 3 million people have fled their homes, with many facing growing debt and destitution. In response to an Oxfam survey conducted earlier this year, many internally displaced persons in Yemen spoke of a pervasive fear that continued airstrikes and ground fighting would again force them to flee.

Conduct of Hostilities and Violations of the Law of Armed Conflict

All armed actors in Yemen have demonstrated their disregard for the well-being of civilians. This includes the US-supported Saudi-led coalition, whose airstrikes have been confirmed by the United Nations and human rights organizations to be either indiscriminate, disproportionate, or directly targeting civilians or civilian objects. As noted by the August 2016 report of OHCHR, "air strikes were the single largest cause of casualties, resulting in approximately one third of the deaths and injuries recorded." The UN's Report on Children and Armed Conflict noted that coalition airstrikes account for the majority of the 785 children killed during military operations last year. Coalition airstrikes have hit weddings and schools. They have hit hospitals and other health facilities, including four operated by Doctors Without Borders, causing them to exit Northern Yemen earlier this year. Over 600 health

facilities have been damaged or destroyed in the conflict, leaving most Yemenis without even basic medical care. In August, coalition airstrikes decimated a bridge that connected Sana'a to the port city of Hodeidah and facilitated the transport of approximately 90 percent of humanitarian aid into the capital. Even though the bridge was reportedly on a no-strike list compiled by the US Department of Defense, Saudi aircraft caused significant damage to it one day – and returned the following day to finish the job.

It is hard to escape the conclusion that Saudi attacks either fail to discriminate between civilian and military targets or deliberately target civilians and civilian objects. In a review of airstrikes conducted by the Yemen Data Project and published by *The Guardian*, independent experts concluded that over one-third of airstrikes carried out between March 2015 and August 2016 struck non-military sites. These included two Oxfam facilities – a warehouse and a European Commission-funded solar panel array – both of which were destroyed.

The most wide-ranging impact of coalition airstrikes has been economic. Farms, factories, warehouses, and power plants have all been frequently damaged and destroyed in airstrikes. In addition to ensuring the supply of food, electricity, medicine, and other household goods to the population, these facilities were a major source of employment in Yemen. Their destruction has added to one of the main humanitarian challenges for most households: a lack of income that makes it impossible to pay for adequate food.

During my visit to Yemen in August, I visited the site of an Oxfam public cleanup project in Khamer, a small city in Amran governorate. Khamer is far from the frontlines and has not endured significant airstrikes or artillery since the conflict began. Yet, Khamer has suffered greatly. Large numbers of people have arrived there seeking safety from Sadaa governorate North of Amran, which, in the absence of social services, has pushed both the internally displaced and the residents of Khamer to the limit. During my visit, I met residents participating in an Oxfam-funded project to remove waste and debris from the streets. Many of them were formerly employees of the Amran cement factory, which was destroyed by a Saudi airstrike in February. In addition to killing fifteen of their colleagues, the airstrike left them with no way to provide for their families. They told me even the informal economy in the area was not functioning. But for the money they earn from the cleanup project, they insisted, they would not survive.

Shipping Challenges

One feature of the ongoing conflict in Yemen – and perhaps the principal cause of its humanitarian crisis – is the country's failing economy. The economic collapse in Yemen is being caused by a set of measures taken by the parties to the conflict in order to aid their military prospects.

Soon after it began its military campaign, the Saudi-led coalition began to withhold permission for major commercial and humanitarian vessels to berth in Yemeni ports, in particular the Houthi-controlled Red Sea ports of Saleef, Mokha, and Yemen's highest-capacity port, Hodeidah. By setting up an arbitrary and onerous inspection regime, the coalition blocked and delayed imports, creating a *de facto* blockade. Since Yemen is dependent on imports to meet 90% of its food needs, food prices spiked. And given Yemen's dependence on fuel imports, the embargo precipitated a fuel shortage that impacted not only personal transportation, but also water purification, sanitation, the milling of grain, the operation of hospitals, and the refrigeration of food and pharmaceuticals. Perishable food and medical supplies went to waste as ships waited for permission to berth. Altogether, the Saudi-led coalition's impediments amounted to a *de facto* blockade that has had a devastating effect on the population.

The launch of the UN Verification and Inspection Mechanism in January 2016 was meant to alleviate the delays at anchorage by substituting an efficient, targeted inspection process for the Saudi inspection regime. It has largely succeeded in its task. As of September 2016, ships waited an average of 48 hours to be cleared to berth. Unfortunately, other conditions attendant to shipping have meant continued delays, fewer imports, and more importantly, still higher food prices. First, Saudi Arabia's August 2015 attack on Hodeidah Port has left the port crippled. Only one of the port's six cranes is fully operational and wharves and warehouses remain unrepaired. Mobile cranes have been deployed to help, but they cannot be utilized until debris from the attack is cleared. As a result, even ships that are prepared to berth must wait in line to offload their cargoes. Second, insurance costs of shipping to Yemen have increased. Third, Yemen's banking crisis has led to uncertainty about exchange rates and accepted currencies at the ports, leading to more delays, higher prices, and higher price volatility.

Banking Crisis

In 2014, the Central Bank of Yemen's (CBY) foreign reserve held over \$5B. That reserve has diminished precipitously, with drastic implications for the humanitarian situation. This has hurt the CBY's ability to guarantee exchange rates for imports, creating volatility in the market and increasing the price of staple foods. It has also inhibited the payment of salaries to the 1.2 million civil servants on the public payroll, breadwinners for as many as 6 million families that have, in many cases, been supporting extended families and communities. The lack of confidence in the financial system has resulted in a huge shortage of liquidity. The CBY re-issued mutilated notes and requested that private institution inject riyals into the market, but these were stop-gap measures. The liquidity shortage has impacted the delivery of cash-based humanitarian assistance, and though Oxfam has been able to continue its programs, smaller organizations have had to discontinue their distributions to some of the poorest and most vulnerable families in Yemen.

In an effort to cut off a major source of Houthi funding, President Hadi announced in September the move of the Central Bank to Aden and the appointment of a new governor to replace the highly respected Mohamed bin Humam at the CBY's helm. Proponents of the CBY's relocation to Aden believed at the time that it would be the most effective way to ensure the nationwide payment of salaries. This has not worked as planned. Four months later, salaries have still not been paid. No donor has stepped up to replenish the CBY's foreign reserve, which continues to be spent down. Grain supplies are running low and suppliers tell us that there is no more to come for at least three months. Major importers have also told Oxfam that the CBY is insisting the companies re-register with the authorities in Aden in order to access their funds held by the Bank. In addition, the CBY is in danger of being unable to pay its international creditors and cannot currently access the \$250 million in its accounts at the US Federal Reserve, due to irregularities in the Government of Yemen's transfer of authority from the Bank in Sana'a. If the CBY remains unstable, poorly managed, and without adequate foreign reserves, a dramatic downturn in the food security situation and health outcomes for Yemeni families will soon follow.

Unilateral interference in the work of the Central Bank, combined with attacks on economic structures like the Amran cement factory that I mentioned earlier and the coalition's *de facto* blockade on commercial imports and has led UN Humanitarian Coordinator for Yemen Jamie McGoldrick to conclude that the economic dimension of this war has become a "tactic," of the Government of Yemen and the Saudi-led coalition, designed to increase political pressure on the Houthis by precipitating economic collapse in Houthi-controlled areas. This has caused great suffering for women, men, and children across Yemen and must not be allowed to continue.

US Support for the Saudi-Led Coalition

Although Yemeni parties and the Saudi-led coalition together are to blame for Yemen's descent into humanitarian crisis, US policy has also helped to prolong and exacerbate the situation. US policy is disjointed and ethically indefensible. Our government has pleaded for peace while it has fueled war, which has deepened and prolonged the suffering of millions. I realize this is a serious allegation, but the facts of the past twenty months do not permit any other conclusion.

Let me first mention some constructive aspects of US engagement. Since 2014, the Obama administration has remained steadfast in its conviction that Yemen's problems can only be addressed through dialogue and reconciliation by Yemenis. In that vein, the administration has made clear that it opposes any effort by any armed faction to take power through force and also stressed, even as it announced support for the Saudi-led coalition in March 2015, that a political settlement to the conflict was needed. The United States has also been the world's largest humanitarian donor to Yemen, committing at least \$327,000,000 in 2016. In recent months, Secretary Kerry has personally engaged in peace talks and advocated for an end to the fighting and flexibility on all sides regarding a political settlement. His most recent effort, an agreement for cessation of hostilities starting today and leading to a peace agreement based on the UN roadmap over the objections of the Government of Yemen, is a heroic effort. All those who want to ease the suffering will be cheering it on.

Unfortunately, the administration's positive steps since March 2015 have been blunted and undercut by efforts to enhance bilateral relations with the Kingdom of Saudi Arabia. These efforts have nullified the US's credibility as a peace broker, contributing to the failure of many attempts at peace just like the one Secretary Kerry brokered this week. Yemenis have told me that they perceive – reasonably, in my opinion – that US policy toward Yemen as a whole is primarily aimed at reassuring their Saudi neighbors.

Nowhere is that dynamic more on display than at the United Nations. In April 2015, following President Hadi's ouster and the Saudi-led coalition's intervention, the UN Security Council aimed to steer Yemen back on the path towards peace and unity. With strong backing from the US, the Council adopted Resolution 2216, which focused mainly on the unilateral armed action taken by the Houthis against the elected government of Yemen. It called for their immediate and unconditional withdrawal from Sana'a and other areas, while commending the Gulf Cooperation Council's previous role in the political transition in Yemen. However, the Resolution failed to mention the need for all parties, including the Saudi-led coalition and the Government of Yemen, to agree on an immediate ceasefire.

Rather than create incentives for reconciliation, UNSCR 2216 pushed the parties further apart. Houthi compliance became a precondition to ceasefire proposals and the Resolution became a convenient excuse for the Government of Yemen and Saudi Arabia to pursue a maximalist military strategy. As I speak today, despite the Council's widespread agreement that UNSCR 2216 cannot provide the required framework for negotiations towards peace, the Security Council has still not adopted a subsequent resolution; the US, unlike some other Council members, has not publicly called for one. And for most of the first year of the conflict, the US opposed efforts in the Council to call for an immediate ceasefire in its Presidential statements or press statements.

The US has also helped to shield Saudi Arabia from accountability for its alleged violations of international human rights law and international humanitarian law. In September 2015, the UN Human Rights Council considered a Dutch resolution to create an independent, international inquiry into human rights violations by all sides. Instead of adopting the Dutch proposal, the Council instead backed a Saudi resolution that welcomes an inquiry by the Government of Yemen. The Council had never before

adopted a resolution about an armed conflict that was drafted by one of its parties, nor had it ever endorsed an investigation so manifestly unable and unwilling to fulfill its mandate, given the Government of Yemen's extreme partiality and very low degree of access to most parts of the country. To date, neither the Government of Yemen, nor Saudi Arabia, nor any international body has conducted a comprehensive inquiry into alleged violations of the law of armed conflict or international human rights law.

Meanwhile, the US has stepped up its defense cooperation with Saudi Arabia specifically to aid the coalition's military effort. In March 2015, the National Security Council announced that it would establish a joint coordination planning cell in the Saudi Operations Center in order to provide intelligence and logistical support and targeting assistance. The US has continued to provide defense assistance to the Saud-led coalition since then, including aerial refueling of Saudi aircraft.

Arms sales have also enabled and signaled support for the coalition's conduct. In November 2015, the State Department approved a sale of \$1.29 billion in precision-guided munitions to replenish supplies that were becoming depleted due to the high operational tempo of the Saudi air campaign. The American Bar Association has stated that these sales must be suspended pending a credible investigation of alleged violations of law. However, in its notification to Congress, the Defense Security Cooperation Agency did not mention any consideration of the potential for misuse of the export in question, the likelihood that the recipient would use the arms to commit human rights abuses or serious violations of international humanitarian law, or the likelihood of identifying the United States with such abuses and violations, all required by the US Conventional Arms Transfer Policy outlined in Presidential Policy Directive-27. The notification merely determined that the proposed sale "promotes stability in the region," and "directly conveys US commitment to the RSAF's current and future ability to sustain operations." Congress's acquiescence to the sale of these munitions and the DSCA's rationale for it sent a strong signal to the Saudi-led coalition and the Yemeni parties: the coalition can count on US support regardless of its lack of commitment to a peace process, its *de facto* naval blockade, or its targeting practices.

On October 8 this year, the Saudi-led coalition dropped US-manufactured bombs on a funeral in the Great Hall of Sana'a. The second attack on the Great Hall came some minutes after the first, once emergency responders had arrived on the scene. The airstrikes killed more than 140 and injured more than 525. Among the dead were a number of would-be Houthi appointees to the De-Escalation and Coordination Committee, the body convened by the UN to sustain ceasefires, along with the respected mayor of Sana'a and a number of well-known moderates believed to be instrumental in any forthcoming peace agreement. That same day, the US government announced that it would undertake a review of US support to Saudi Arabia's military intervention in Yemen. Yet, despite the continuation of airstrikes and an ongoing pattern of civilian casualty incidents, including through an agreed three-day ceasefire last month, US support continues. It seems the US government review is no more than a policy of increased concern, combined with a hope that peace will come before hard decisions have to be made.

Recommendations to Congress

Suspend defense cooperation with and arms sales to Saudi Arabia that support the war in Yemen.

US assistance and arms transfers have not only enabled the Saudi air campaign operationally, they have legitimized it diplomatically. When pressed its pattern of apparent violations of international humanitarian law, Saudi Arabia's military and civilian leaders often reference US support to deflect criticism and reaffirm the international legitimacy that its campaign enjoys and deflect criticism.

Arguments that US assistance and precision-guided weaponry help the coalition minimize collateral damage fall flat in the midst of a widespread pattern of damage to critical civilian infrastructure, including many objects that have been attacked repeatedly. Suggestions that the US has more influence with the coalition as a strong supporter carry little weight, given the coalition's inconsistent compliance with agreed ceasefires and its willingness to continue its campaign on behalf of the Government of Yemen unconditionally, despite the Government's lack of flexibility in peace talks.

This is also an area in which the administration's actions have resulted in US involvement in an armed conflict without any meaningful Congressional oversight to date. If the administration does not promptly suspend assistance and sales, Congress should be prepared to adopt legislation to do so.

Support the use of creative ways to support local Yemeni humanitarian actors

Despite a huge and largely successful effort to scale up the international response to Yemen's humanitarian crisis, Yemeni organizations remain some of the fastest and most effective first responders. These groups range from informal community-based networks to nascent local humanitarian organizations to nationwide organizations with a sophisticated understanding of humanitarian principles. They also include Yemeni line ministries and departments that are fully focused on impartially serving the needs of the Yemeni people. To be sure, these organizations present varied degrees and types of risk of which donors should be mindful. Yet, given their likelihood of community acceptance, access, understanding of the context, and comparatively low overhead, these organizations represent the best channel through which to meet the needs of the most vulnerable. In protracted conflicts elsewhere around the world, Oxfam has found that investing in local organizations and local governments save more lives and more money over time.

USAID and the State Department should aim to fund local organizations directly, and when this is not possible, they should strongly urge INGOs work together with local organizations to build their capacity so as to be able to absorb donor funding directly. USAID should require INGOs to report on capacity building milestones, including through feedback from the local partner. Members of Congress should communicate to the administration that it supports a higher level of risk-taking and overhead spending in order to invest more heavily in local organizations.

Urge administration support for a peace agreement that reunifies and stabilizes the Central Bank of Yemen

Even if humanitarian agencies continue to scale up the humanitarian response, we are collectively capable of meeting only a small percentage of the need in Yemen. Only a peace agreement that creates the conditions for the revival of the Yemeni economy will avert the death of thousands more and put the country on track for recovery. Critically, any peace agreement must involve the reunification and bailout of the Central Bank and agreement on its independence and its permanent location in Sana'a. This would build the international community's confidence in the CBY, which is essential for the Bank's ability to pay its foreign debts, access its funds, maintain its accounts with foreign correspondent banks, which in turn will enable it to pay public sector salaries and facilitate imports. Congress should remind the administration of the importance of the CBY in any peace agreement.

Urge adoption of a new UN Security Council Resolution and an independent international inquiry into alleged violations of international human rights law and international humanitarian law

The current diplomatic landscape remains un conducive to a peace agreement. UNSCR 2216 continues to be used to undercut attempts to find a political settlement to the conflict, and an obvious lack of

consequences for potentially serious violations of international humanitarian law is encouraging all parties to continue with business as usual, which has spelled disaster for Yemeni civilians. Yemen has devolved into an accountability free zone. Congress should make clear to the administration that the United States must not turn a blind eye in the face of injustice and impunity. It should urge the adoption of a new UN Security Council Resolution that demands an immediate ceasefire, the formation of a transitional unity government immediately following the ceasefire along the lines of Secretary Kerry's proposal, and the launch of an independent inquiry into the conduct of hostilities in Yemen.

Thank you again, honorable Co-Chairs, for convening this important hearing. I look forward to answering your questions.